

City of Sequim 2016 Budget

Personnel Summary



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Personnel Summary

Susanne Connelly, Human Resource Director

FTE Summary:

The planned full time employee headcount for 2016 is 75.54. The planned full time employee count includes two primary changes for 2016. First, two public works seasonal employees will be replaced with a permanent maintenance worker I position. And second, an unfilled environmental technician will be replaced with a permanent resource manager. This also includes the elimination of the temporary storm water resource manager position. In 2016, employee salary costs are estimated at \$5.3ml and benefits at \$2.3ml. This represents a 1.2% increase in wages and a 5.6% increase in benefit costs. Human resources will continue to work with departments to analyze and reduce benefit program costs and options, unemployment costs and workers compensation program fees.

Salary and Wages

Non-uniformed Bargaining Unit

This unit currently represents 33 employees. Total compensation for this group is budgeted to be \$3.06ml for 2016. The bargaining unit contract for this group of employees is effective January 1, 2015 through December 31, 2018. For 2016, it includes a ¾ of a percent wage increase effective January 1 and a ¾ of a percent effective July 1. In addition, based on market compensation research conducted as part of Teamster negotiations in 2014, there is a 3% market wage adjustment for seven of the 28 job classifications.

Police Sergeants Bargaining Unit

Four employees are represented by this unit. In 2016, total compensation for this group is budgeted at \$500k. As the bargaining unit contract for this group expires December 31, 2015, the City team is working to finish labor negotiations by October. Salary research has demonstrated that at the current top wage step, our Police Sergeants are paid 4% less than our regional market comparable counterparts. We anticipate the new bargaining unit contract for this group will bring their wages to the middle/average of their regional colleagues.

Police Officer Bargaining Unit

Thirteen employees are represented by this unit. Total compensation in 2016 for the group is budgeted at \$1.43ml. The bargaining unit contract for this group also expires December 31, 2015, and the City team is working to finish labor negotiations by October for a new three-year bargaining agreement. Salary research has demonstrated that our Police officers are currently paid 1% less than their regional counterparts. We anticipate bringing their wages to the middle/average of their regional colleagues.

Non-represented staff

The full-time employee equivalent count for this non-union group of employees is 20.83. Total compensation in 2016 is again budgeted at 2.43ml. Their last pay increase was January 1, 2015, with the majority receiving 1%. The City's "Management Compensation Policy Objectives" (November 2010) establishes a wage market survey be conducted every two to three years. It was last conducted summer of 2013, so we anticipate doing a job market comparable salary survey in mid-2016 for any updates effective January 1, 2017. This study can be conducted either by a compensation consultant or, as before, internally by Human Resources staff. When this group's salary range chart is updated it does not necessarily mean a wage increase for them because that is based on achieving performance measures.

Other wages, salaries, benefits

This category includes wages for Public Works seasonal/temporary positions and Police Reserve officers, representing a total of 2.62 FTE. Total compensation is budgeted at \$138k in 2016.

City Of Sequim 2016 Budget

Benefits

Health Benefits

We provide two health benefit (medical, dental, vision, life insurance) programs for our employees; one through Washington Welfare Teamsters Trust and one through the Association of Washington Cities. Health insurance comprises the largest component of these costs. We estimate the average budgeted health benefit increase for 2016 to be 9%.

- Teamsters: We have a FTE count of 52.9 union employees in the Non-commissioned, Police Patrol and Police Sergeant bargaining units. The union employees are covered by Washington Welfare Teamsters Trust insurance, with the City paying 85% of this cost. The Welfare Trust charges one monthly health insurance rate, regardless of whether the employee is single or has a full family. The Welfare Trust does not provide rate increase estimates; they publish rate increase information in late November.
- AWC: We have 21 non-union employees eligible for insurance benefits covered by the Association of Washington Cities Trust. AWC has projected a 5% rate increase for medical, 0% for dental and 0% for vision in 2016.

We continue to monitor PPACA (Patient Protection and Affordable Care Act) provisions and its potential impacts on the City. Last year at this time, we planned to reconvene an employee benefits committee in mid-2015 to analyze medical plan types and costs, to make recommendation to City Manager for probable changes effective 1/1/16. In preparation for this study, Human Resources and Payroll staff attended an AWC medical benefit trends update workshop at AWC headquarters in the spring. Based on new benefit trend information that we learned there, Human Resources and Payroll recommended to the City Manager that we hold off reconvening the benefits committee for one year. We anticipate facilitating this benefit cost and plan type analysis in 2016.

Holidays

The number of approved annual City holidays is 11 with one additional floating holiday.

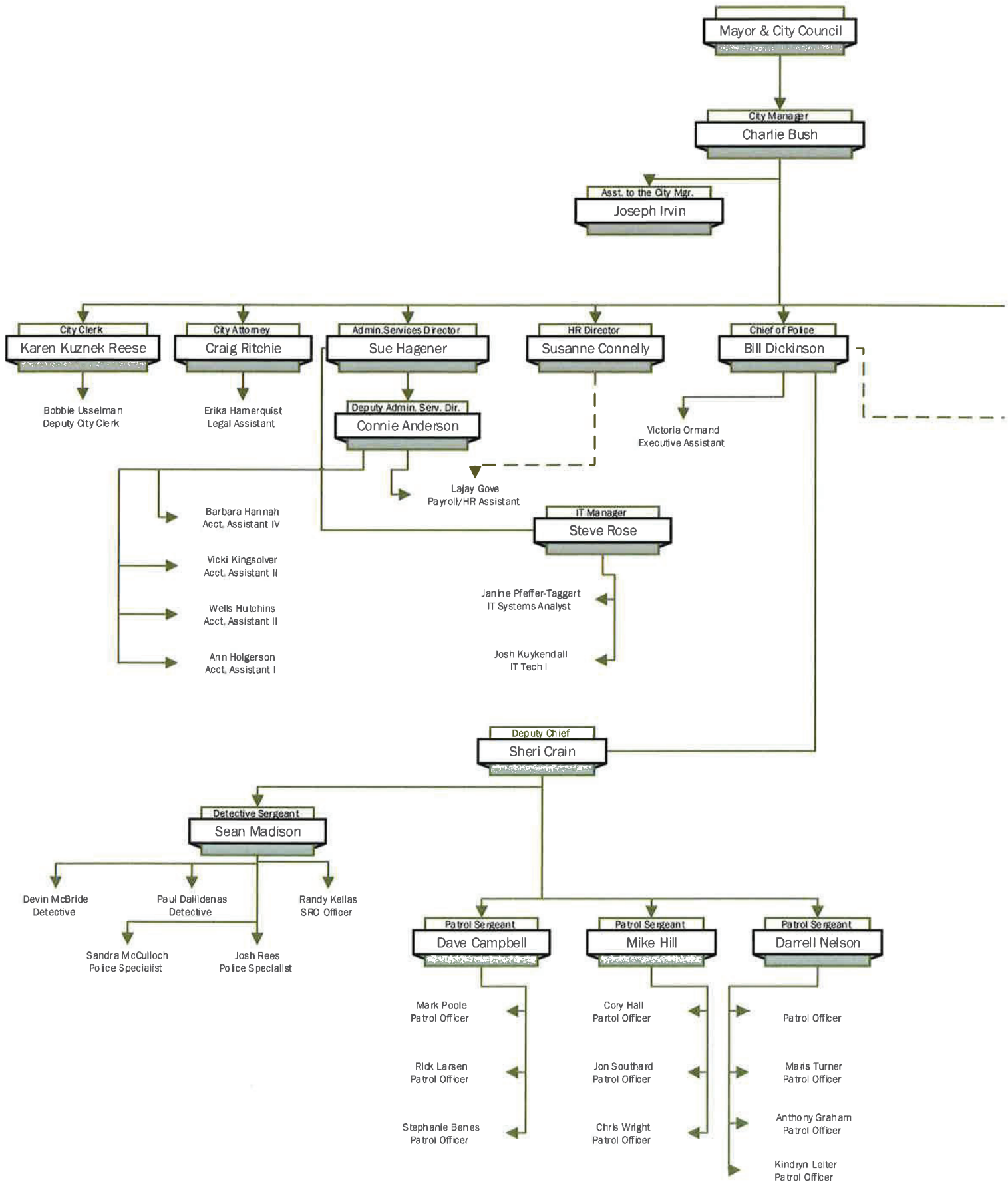
Retirement Benefits

All regular city positions participate in a defined benefit plan required by the State of Washington that includes an employer and employee contribution. Our uniformed Police employees participate in the LEOFF plan and all other regular employees are covered by the PERS plan. The State legislature sets the contribution rates for both the employer and the employee, which are subject to change based on plan provisions, economic assumptions and the actuarial experience of the system. Because PERS rates were increased significantly in mid-2015, we do not anticipate a *rate* increase in 2016. However, both LEOFF and PERS contributions will increase based upon planned increases in salaries/wages.

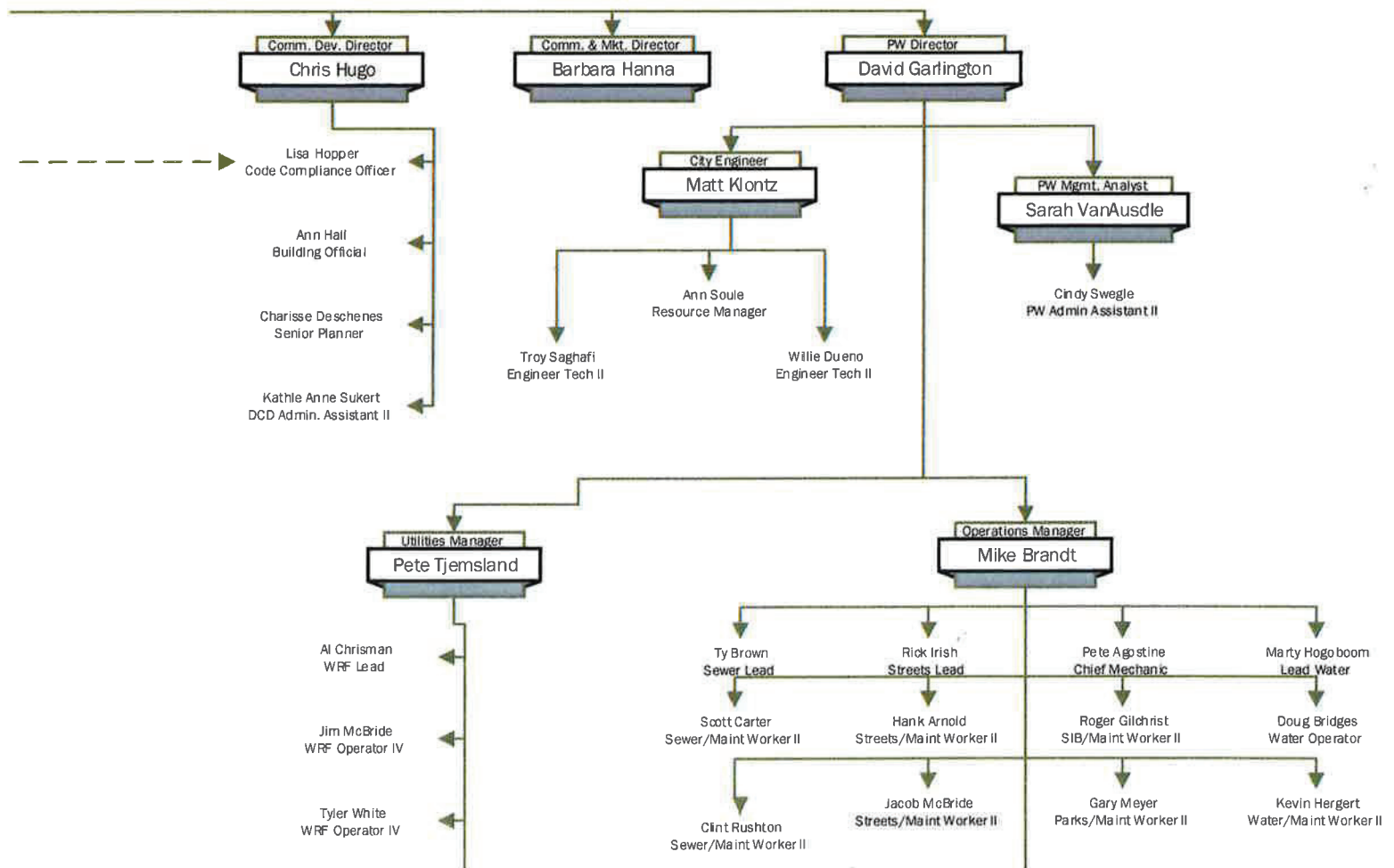
Payroll taxes

Labor & Industries (L&I) rates reflect the City's history of safety injuries and claims. Over the last several years L&I rates have continued to increase state-wide. The City has an all-city safety committee meeting monthly to "increase safety awareness and reduce safety incidents" by recommending improvements and training to department heads. At this time we estimate a 10% increase for 2016 for L&I *rates*. However, an overall decline in these rates in 2015 produces a decline in the expense for 2016. L&I will publish final rate notices confirming this information in December.

For employers, social security tax continues to be 6.2% and Medicare tax 1.45%.



City of Sequim Organizational Chart Budget 2016



**City of Sequim
2016 Budget**

Historical Staffing Summary

	Actual 2012	Actual 2013	Actual 2014	Forecast 2015	Budget 2015	Budget 2016	2016 - 2015 %
<i>Budgeted Staff (FTE, not including Council)</i>	73.24	73.24	76.29	76.29	76.29	75.54	-1.0%
OFM Census	6,795	6,855	6,910	6,915	6,915	6984	1.0%
<i>Employees per 1000 OFM Population</i>	10.8	10.7	11.0	11.0	11.0	10.8	-2.0%
						<i>staff estimate *</i>	
Salaries	\$ 4,848,270	\$ 4,813,463	\$ 5,100,693	\$ 5,181,181	\$ 5,239,743	\$ 5,303,323	1.2%
Benefits	\$ 1,848,755	\$ 1,847,292	\$ 1,957,763	\$ 2,129,350	\$ 2,200,043	\$ 2,323,735	5.6%
Total Comp	\$ 6,697,025	\$ 6,660,755	\$ 7,058,456	\$ 7,310,531	\$ 7,439,786	\$ 7,627,058	2.5%
<i>Year over Year % Increase</i>		-0.5%	6.0%	3.6%	1.8%	2.5%	
Benefits as % Salaries	38%	38%	38%	41%	42%	44%	4.4%
Benefits as % Total Comp	28%	28%	28%	29%	30%	30%	3.0%
City Wide Operating Funds	\$ 13,459,304	\$ 14,314,225	\$ 13,478,361	\$ 15,307,830	\$ 16,097,589	\$ 15,755,962	
Total Comp as % Op Budget	49.8%	46.5%	52.4%	47.8%	46.2%	48.4%	4.7%

Salary and Benefits by Employee Group

	Council	Non- Represented	Non- Uniformed	Sergeants	Uniformed	Reserves, Seasonal & Temporary	Total
Regular Salary	20,035	1,699,287	1,940,313	318,766	863,376	80,215	4,921,992
Overtime - Hourly	-	4,363	68,903	45,707	178,097	-	297,070
On Call Pay	-	-	70,428	13,834		-	84,262
Total Salary	\$ 20,035	\$ 1,703,650	\$ 2,079,644	\$ 378,307	\$ 1,041,473	\$ 80,215	\$ 5,303,324
Health Insurance	-	394,966	561,288	64,405	209,185	-	1,229,844
Retirement	-	173,468	224,017	20,888	59,687	8,270	486,329
Payroll Taxes	1,533	129,650	153,918	28,112	79,411	6,136	398,759
Other Benefits	-	24,321		2,640	11,520	39,180	77,661
Workers Comp	116	12,973	50,740	9,492	30,903	4,794	109,017
Total Benefits	\$ 1,649	\$ 735,376	\$ 989,963	\$ 125,537	\$ 390,705	\$ 58,381	\$ 2,301,610
Total Salary & Benefits	\$ 21,684	\$ 2,439,026	\$ 3,069,607	\$ 503,844	\$ 1,432,178	\$ 138,596	\$ 7,604,934
<i>Budgeted Staff (FTE, not including Council)</i>		20.83	35.09	4.00	13.00	2.62	75.54
Salary per FTE		81,788	59,266	94,577	80,113	30,616	70,206
Benefits per FTE		35,304	28,212	31,384	30,054	22,283	30,469
Total per FTE		\$ 117,092	\$ 87,478	\$ 125,961	\$ 110,168	\$ 52,899	\$ 100,674

LEOFF I Retired Medical Benefits \$ 12,125

Unemployment Reserve \$ 10,000

Total Benefits including Retired Medical Benefits \$ 2,323,735

CITY OF SEQUIM
2016
Salary & Wage Schedule

Division Dept	Union Range	Compensation Schedule by Job Title	FTE budgeted	FTE actual	Salary & Wage Range		
		Council	7	7	1,800	< ---- >	3,000
		Non-Represented Exempt / Non-Exempt					
ADM		City Manager	1	1	120,000	< ---- >	136,500
ADM		Admin Services Director/Treasurer	1	1	86,940	< ---- >	112,140
PW		Public Works Director	1	1	86,940	< ---- >	112,140
POL		Chief of Police	1	0.92	86,940	< ---- >	112,140
ADM		City Attorney	1	1	86,940	< ---- >	112,140
DCD		Community Development Director	1	1	86,940	< ---- >	112,140
PW		City Engineer	1	1	76,320	< ---- >	97,740
POL		Deputy Chief	1	1	76,320	< ---- >	97,740
ADM		HR Director	1	1	76,320	< ---- >	97,740
ADM		Deputy Admin Services Director	1	1	76,320	< ---- >	97,740
ADM		City Clerk	1	1	68,040	< ---- >	88,200
ADM		Comm. & Marketing Director	1	1	68,040	< ---- >	88,200
ADM		IT Manager	1	1	68,040	< ---- >	88,201
PW		Operations Manager	1	1	57,960	< ---- >	75,600
PW		Utilities Operations Manager	1	1	57,960	< ---- >	75,600
PW		Asstistant to the City Manager / Parks Mgr	1	1	57,960	< ---- >	75,600
PW		PW Management Analyst	1	1	57,960	< ---- >	75,600
PW		Resources Manager	1	1	57,960	< ---- >	75,600
ADM		Deputy City Clerk	1	1	40,320	< ---- >	64,260
POL		Executive Admin Assistant	1	1	40,320	< ---- >	64,260
ADM		Payroll Administrator/HR Asstistant	1	1	40,320	< ---- >	64,260
ADM		Legal Assistant	1	1	40,320	< ---- >	64,260
		Reserves, Seasonal & Interns					
POL		Police Reserve	0.12	0.12			
PW		Seasonal Maint. Workers	2.5	2.5	\$14.50/hr	< ---- >	\$17.00/hr
		Union Represented					
		Non-Uniformed			Step A	Effective 1/1/2016	Step E
DCD	26	Senior Planner	1	1	59,974	..B..C..D..	71,554
DCD	26	Building Official	1	1	59,974	..B..C..D..	71,554
PW	21	WRF Lead	1	1	51,737	..B..C..D..	61,667
PW	20	Chief Mechanic	1	1	50,232	..B..C..D..	59,890
ADM	20	IT Systems Analyst	1	1	50,232	..B..C..D..	59,890
PW	19	Engineering Tech II	2	2	48,769	..B..C..D..	58,197
PW	19	WRF Operator IV	2	2	48,769	..B..C..D..	58,197
PW	18	Lead Water	1	1	47,348	..B..C..D..	56,462
DCD	17	Code Compliance Officer	1	1	45,989	..B..C..D..	54,831
PW	17	Maint Worker III (Leads)	2	2	45,989	..B..C..D..	54,831
PW	16	Water Operator	1	1	44,651	..B..C..D..	53,242
PW	15	WRF Operator II	1	1	43,355	..B..C..D..	51,675
PW	15	Maint Worker II	8	8	43,355	..B..C..D..	51,675
ADM	15	Accounting Assistant IV	1	1	43,355	..B..C..D..	51,675
ADM	14	IT Tech I	1	1	42,080	..B..C..D..	50,191
ADM	13	Accounting Assistant II	2	2	40,846	..B..C..D..	48,706
POL	12	Police Specialist	2	2	39,676	..B..C..D..	47,285
PW	11	Maint Worker I	2	2	38,505	..B..C..D..	45,947
ADM	10	Accounting Assistant I	1	1	37,397	..B..C..D..	44,588
DCD/PW	9	Administrative Assistant II	2	2	36,289	..B..C..D..	43,250
		Uniformed			Step A	Effective 1/1/2015	Step E
POL		Police Sergeant	4	4	70,429	..B..	76,232
POL		Police Officer	12	12	53,893	..B..C..D..	64,002
POL		SRO Officer	1	1	53,893	..B..C..D..	64,002
Total Employees (excluding Council)			75.62	75.54			

* By approving the budget Council authorizes the City Manager to adjust duties & salaries within the number of FTEs & within the budgeted salaries & benefits amounts.

**CITY OF SEQUIM
2016 BUDGET**

Personnel Summary by Department and Fund

	Budget 2012	Budget 2013	Budget 2014	Budget 2015	Budget 2016	2016-2015 Change
General Fund						
City Manager	1.00	1.00	1.00	1.50	1.50	-
City Clerk	2.00	2.00	2.00	2.00	2.00	-
Communications	0.50	0.50	0.50	0.40	0.50	0.10
City Attorney	1.35	1.35	1.35	1.35	1.35	-
Crim Prosecution (Municipal Court)	0.65	0.65	0.65	0.65	0.65	-
Human Resources	1.50	1.50	1.50	1.50	1.50	-
Finance	7.50	6.25	6.25	6.25	6.50	0.25
Information Technology	2.00	3.00	3.00	3.00	3.00	-
Growth Planning	3.00	1.00	1.00	1.00	1.00	-
Code Compliance	1.00	1.00	1.00	1.00	1.00	-
Dev Services	1.00	3.00	3.00	3.00	3.00	-
PW Administration	6.60	4.50	5.10	4.10	4.00	(0.10)
Facilities Maintenance	1.40	1.80	1.55	1.56	1.05	(0.51)
Temporary, Seasonal or Interns	0.25	-	-	-	-	-
Engineering	3.00	2.90	2.90	2.90	3.00	0.10
Parks	1.00	1.40	1.65	2.15	1.90	(0.25)
Temporary, Seasonal or Interns	0.50	-	0.50	0.50	0.50	-
Police	21.00	20.92	20.92	20.92	20.92	-
Police Reserve	0.24	0.24	0.12	0.12	0.12	-
Subtotal	55.49	53.01	53.99	53.90	53.49	(0.41)
Streets						
Temporary, Seasonal or Interns	3.85	4.60	4.05	4.04	4.20	0.16
Subtotal	3.85	5.10	4.55	4.04	4.20	0.16
Storm Water						
Storm Water Operations	0.40	0.80	0.75	0.75	0.70	(0.05)
Project Stormwater	-	-	-	-	0.25	0.25
Temporary Water Resource	-	0.75	0.75	1.00	-	(1.00)
Subtotal	0.40	1.55	1.50	1.75	0.95	(0.80)
Restricted Funds						
Hotel/Motel Fund	0.50	0.50	0.50	0.60	0.50	(0.10)
Police Restricted	-	-	1.00	1.00	1.00	-
Subtotal	0.50	0.50	1.50	1.60	1.50	(0.10)
Enterprise Funds						
Water	4.25	4.00	4.00	4.00	4.25	0.25
Temporary, Seasonal or Interns	-	0.50	0.50	0.50	0.50	-
Temporary Water Resource	-	0.25	0.25	-	-	-
Sewer	7.25	8.00	8.00	8.00	9.15	1.15
Temporary, Seasonal or Interns	1.50	2.00	2.00	2.50	1.50	(1.00)
Subtotal	13.00	14.75	14.75	15.00	15.40	0.40
Total Full Time Equivalents	73.24	74.91	76.29	76.29	75.54	(0.75)
Tax Supported (includes Streets)	59.74	58.11	58.54	57.94	57.69	(0.25)
Other Funding	0.50	0.50	1.50	1.60	1.50	(0.10)
Enterprise Fund Supported	13.00	16.30	16.25	16.75	16.35	(0.40)
Total Full Time Equivalents	73.24	74.91	76.29	76.29	75.54	(0.75)

**CITY OF SEQUIM
2016 BUDGET**

Benefits Schedule

Preliminary as of 8/22/15 - Subject to Change

City Paid Benefits 90% Health Insurance; 100% Remaining Insurance (Non-represented employees)	Total Monthly Cost
Medical - Regence Blue Shield / AWC Health First Plan	\$ 698.91 < -----> \$ 2,036.67
Dental - WDS / Plan F, plus Orthodontia	\$ 54.79 < -----> \$ 181.57
Vision - VSP	\$ 7.96 < -----> \$ 23.88
Employee Assistance Program - ComPsych	\$ 1.49
Basic Life Insurance - The Standard	0.19/per \$1000 of coverage
AD&D Insurance - The Standard	0.05/per \$1000 of coverage
Long Term Disability - The Standard	0.468% of compensation
City Paid Benefits 85% Insurance (Union Employees)	Total Monthly Cost
Medical - WA Teamsters Welfare Trust / Plan A	\$ 1,293.90
Dental - NW Teamsters Dental Trust / Plan A	\$ 130.50
Vision - WA Teamsters Vision Trust	\$ 14.90
Time Loss Insurance / Plan C or Plan A	\$ 8.00 < -----> \$ 16.00
Life and AD&D Insurance / Non-Unif Plan B, Uniformed Plan A	\$ 8.60
Waiver of contributions for 12 months due to total disability	\$ 11.40
Other City Paid Benefits - Employer Contribution	Total Monthly Cost
Retirement: PERS Plans LEOFF2	11% 5.23%

* Management reserves the right to make changes in these benefits when not limited by existing contracts.

